

Senate File 2242 - Reprinted

SENATE FILE 2242
BY COMMITTEE ON ENVIRONMENT &
ENERGY INDEPENDENCE

(SUCCESSOR TO SSB 3168)

(As Amended and Passed by the Senate March 23, 2010)

A BILL FOR

1 An Act relating to the Iowa comprehensive petroleum underground
2 storage tank fund and including effective date and
3 retroactive applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

IOWA COMPREHENSIVE PETROLEUM
UNDERGROUND STORAGE TANK FUND

Section 1. Section 455B.474, subsection 1, paragraph d, subparagraph (2), unnumbered paragraph 1, Code Supplement 2009, is amended to read as follows:

A site shall be classified as either high risk, low risk, or no action required, as determined by a certified groundwater professional.

Sec. 2. Section 455B.474, subsection 1, paragraph d, subparagraph (2), subparagraph division (a), unnumbered paragraph 1, Code Supplement 2009, is amended to read as follows:

A site shall be considered high risk when ~~it is determined a~~ certified groundwater professional determines that contamination from the site presents an unreasonable risk to public health and safety or the environment under any of the following conditions:

Sec. 3. Section 455B.474, subsection 1, paragraph d, subparagraph (2), subparagraph division (b), unnumbered paragraph 1, Code Supplement 2009, is amended to read as follows:

A site shall be considered low risk ~~under any of the following conditions~~ when a certified groundwater professional determines that low risk conditions exist as follows:

Sec. 4. Section 455B.474, subsection 1, paragraph d, subparagraph (2), subparagraph divisions (c) and (e), Code Supplement 2009, are amended to read as follows:

(c) A site shall be considered no action required ~~if and~~ a no further action certificate shall be issued by the department when a certified groundwater professional determines that contamination is below action level standards and high or low risk conditions do not exist and are not likely to occur.

(e) A site cleanup report which classifies a site as either high risk, low risk, or no action required shall be

1 submitted by a groundwater professional to the department with
2 a certification that the report complies with the provisions
3 of this chapter and rules adopted by the department. The
4 report shall be determinative of the appropriate classification
5 of the site. ~~However, if the report is found to be and the~~
6 site shall be classified as indicated by the groundwater
7 professional unless, within ninety days of receipt by the
8 department, the department identifies material information
9 in the report that is inaccurate or incomplete, and if based
10 upon inaccurate or incomplete information in the report
11 the risk classification of the site cannot be reasonably
12 determined by the department based upon industry standards,
13 ~~the department shall.~~ If the department determines that the
14 site cleanup report is inaccurate or incomplete, the department
15 shall notify the groundwater professional of the inaccurate
16 or incomplete information within ninety days of receipt of
17 the report and shall work with the groundwater professional
18 to obtain the correct information or additional information
19 necessary to appropriately classify the site. However, from
20 July 1, 2010, through June 30, 2011, the department shall have
21 one hundred twenty days to notify the certified groundwater
22 professional when a report is not accepted based on material
23 information that is found to be inaccurate or incomplete. A
24 groundwater professional who knowingly or intentionally makes
25 a false statement or misrepresentation which results in a
26 mistaken classification of a site shall be guilty of a serious
27 misdemeanor and shall have the groundwater professional's
28 certification revoked under this section.

29 Sec. 5. Section 455B.474, subsection 1, paragraph f,
30 subparagraphs (5), (6), and (7), Code Supplement 2009, are
31 amended to read as follows:

32 (5) A corrective action design report submitted by a
33 groundwater professional shall be accepted by the department
34 and shall be primarily relied upon by the department to
35 determine the corrective action response requirements of the

1 site. However, if ~~the corrective action design report is found~~
2 to be within ninety days of receipt of a corrective action
3 design report, the department identifies material information
4 in the corrective action design report that is inaccurate or
5 incomplete, and if based upon information in the report the
6 appropriate corrective action response cannot be reasonably
7 determined by the department based upon industry standards,
8 the department shall notify the groundwater professional that
9 the corrective action design report is not accepted, and the
10 department shall work with the groundwater professional to
11 correct the material information or to obtain the additional
12 information necessary to appropriately determine the corrective
13 action response requirements as soon as practicable. However,
14 from July 1, 2010, through June 30, 2011, the department
15 shall have one hundred twenty days to notify the certified
16 groundwater professional when a corrective action design report
17 is not accepted based on material information that is found
18 to be inaccurate or incomplete. A groundwater professional
19 who knowingly or intentionally makes a false statement or
20 misrepresentation which results in an improper or incorrect
21 corrective action response shall be guilty of a serious
22 misdemeanor and shall have the groundwater professional's
23 certification revoked under this section.

24 (6) Low risk sites shall be monitored as deemed necessary by
25 the department consistent with industry standards. Monitoring
26 shall not be required on a site which has received a no further
27 action certificate. A site that has maintained less than the
28 applicable target level for four consecutive sampling events
29 shall be reclassified as a no action required site regardless
30 of exit monitoring criteria and guidance.

31 (7) An owner or operator may elect to proceed with
32 additional corrective action on the site. However, any action
33 taken in addition to that required pursuant to this paragraph
34 "f" shall be solely at the expense of the owner or operator
35 and shall not be considered corrective action for purposes of

1 section 455G.9, unless otherwise previously agreed to by the
2 board and the owner or operator pursuant to section 455G.9,
3 subsection 7. Corrective action taken by an owner or operator
4 due to the department's failure to meet the time requirements
5 provided in subparagraph (5), shall be considered corrective
6 action for purposes of section 455G.9.

7 Sec. 6. Section 455B.474, subsection 1, paragraph h,
8 subparagraphs (1) and (3), Code Supplement 2009, are amended
9 to read as follows:

10 (1) A no further action certificate shall be issued by
11 the department for a site which has been classified as a no
12 further action site or which has been reclassified pursuant to
13 completion of a corrective action plan or monitoring plan to be
14 a no further action site by a groundwater professional, unless
15 within ninety days of receipt of the report submitted by the
16 groundwater professional classifying the site, the department
17 notifies the groundwater professional that the report and site
18 classification are not accepted and the department identifies
19 material information in the report that is inaccurate or
20 incomplete which causes the department to be unable to accept
21 the classification of the site. An owner or operator shall
22 not be responsible for additional assessment, monitoring, or
23 corrective action activities at a site that is issued a no
24 further action certificate unless it is determined that the
25 certificate was issued based upon false material statements
26 that were knowingly or intentionally made by a groundwater
27 professional and the false material statements resulted in the
28 incorrect classification of the site.

29 (3) A certificate shall be recorded with the county
30 recorder. The owner or operator of a site who has been issued a
31 certificate under this paragraph "h" or a subsequent purchaser
32 of the site shall not be required to perform further corrective
33 action solely because action standards are changed at a later
34 date. A certificate shall not prevent the department from
35 ordering corrective action of a new release.

1 Sec. 7. Section 455B.479, Code 2009, is amended to read as
2 follows:

3 **455B.479 Storage tank management fee.**

4 An owner or operator of an underground storage tank shall
5 pay an annual storage tank management fee of sixty-five
6 dollars per tank of over one thousand one hundred gallons
7 capacity. ~~Twenty-three percent of the~~ The fees collected
8 shall be deposited in the storage tank management account of
9 the groundwater protection fund. ~~Seventy-seven percent of the~~
10 ~~fees collected shall be deposited in the Iowa comprehensive~~
11 ~~petroleum underground storage tank fund created in chapter~~
12 ~~455G.~~

13 Sec. 8. Section 455E.11, subsection 2, paragraph d, Code
14 Supplement 2009, is amended to read as follows:

15 d. A storage tank management account. All fees
16 collected pursuant to section 455B.473, subsection 5, and
17 section 455B.479, shall be deposited in the storage tank
18 management account, ~~except those moneys deposited into the~~
19 ~~Iowa comprehensive petroleum underground storage tank fund~~
20 ~~pursuant to section 455B.479.~~ Funds. Moneys deposited in the
21 account shall be expended for the following purposes:

22 (1) One thousand dollars is appropriated annually to the
23 Iowa department of public health to carry out departmental
24 duties under section 135.11, subsections 19 and 20, and section
25 139A.21.

26 (2) ~~Twenty-three percent of the proceeds of the fees~~
27 ~~imposed pursuant to section 455B.473, subsection 5, and~~
28 ~~section 455B.479 shall be deposited in the account annually,~~
29 ~~up to a maximum of three hundred fifty thousand dollars. If~~
30 ~~twenty-three percent of the proceeds exceeds three hundred~~
31 ~~fifty thousand dollars, the excess shall be deposited into the~~
32 ~~fund created in section 455G.3. Three hundred fifty thousand~~
33 ~~dollars is~~ The moneys remaining in the account after the
34 appropriation in subparagraph (1) are appropriated from the
35 storage tank management account to the department of natural

1 resources for the administration of a state storage tank
2 program pursuant to chapter 455B, division IV, part 8, and for
3 programs which reduce the potential for harm to the environment
4 and the public health from storage tanks.

5 (3) ~~The remaining funds in the account are appropriated~~
6 ~~annually to the Iowa comprehensive petroleum underground~~
7 ~~storage tank fund. Each fiscal year, the department of~~
8 natural resources shall enter into an agreement with the Iowa
9 comprehensive petroleum underground storage tank fund for the
10 completion of administrative tasks during the fiscal year
11 directly related to the evaluation and modification of risk
12 based corrective action rules as necessary and processes that
13 affect the administration in subparagraph (2).

14 Sec. 9. Section 455G.3, Code 2009, is amended by adding the
15 following new subsections:

16 NEW SUBSECTION. 6. For the fiscal year beginning July 1,
17 2010, and each fiscal year thereafter, there is appropriated
18 from the Iowa comprehensive petroleum underground storage
19 tank fund to the department of natural resources two hundred
20 thousand dollars for purposes of technical review support to be
21 conducted by nongovernmental entities for leaking underground
22 storage tank assessments.

23 NEW SUBSECTION. 7. For the fiscal year beginning July
24 1, 2010, there is appropriated from the Iowa comprehensive
25 petroleum underground storage tank fund to the department of
26 natural resources one hundred thousand dollars for purposes of
27 database modifications necessary to accept batched external
28 data regarding underground storage tank inspections conducted
29 by nongovernmental entities.

30 NEW SUBSECTION. 8. For the fiscal year beginning July 1,
31 2010, and each fiscal year thereafter, there is appropriated
32 from the Iowa comprehensive petroleum underground storage tank
33 fund to the department of agriculture and land stewardship
34 two hundred fifty thousand dollars for the sole and exclusive
35 purpose of inspecting fuel quality at pipeline terminals and

1 renewable fuel production facilities, including salaries,
2 support, maintenance, and miscellaneous purposes.

3 NEW SUBSECTION. 9. Beginning September 1, 2010, the board
4 shall administer safety training, hazardous material training,
5 environmental training, and underground storage tank operator
6 training in the state to be provided by an entity approved by
7 the department of natural resources. The training provided
8 pursuant to this subsection shall be available to any tank
9 operator in the state at an equal and reasonable cost and
10 shall not be conditioned upon any other requirements. Each
11 fiscal year, the board shall not expend more than two hundred
12 fifty thousand dollars from the Iowa comprehensive petroleum
13 underground storage tank fund for purposes of administering
14 this subsection.

15 Sec. 10. Section 455G.4, subsection 1, paragraph a,
16 subparagraphs (3) and (5), Code Supplement 2009, are amended
17 to read as follows:

18 ~~(3) The commissioner of insurance, or the commissioner's~~
19 ~~designee.~~ An employee of the department of management who
20 has been designated as a risk manager by the director of the
21 department of management.

22 ~~(5) Two owners or operators appointed by the governor-~~
23 ~~One of the owners or operators appointed pursuant to this~~
24 ~~subparagraph shall have been a petroleum systems insured~~
25 ~~through the underground storage tank insurance fund as it~~
26 ~~existed on June 30, 2004, or a successor to the underground~~
27 ~~storage tank insurance fund and shall have been an insured~~
28 ~~through the insurance account of the comprehensive petroleum~~
29 ~~underground storage tank fund on or before October 26, 1990.~~
30 ~~One of the owners or operators appointed pursuant to this~~
31 ~~subparagraph shall be self-insured.~~ as follows:

32 (a) One member shall be an owner or operator who is
33 self-insured.

34 (b) One member shall be a member of the petroleum marketers
35 and convenience stores of Iowa or its designee.

1 Sec. 11. Section 455G.8, subsection 3, Code 2009, is amended
2 by striking the subsection.

3 Sec. 12. Section 455G.9, subsection 1, paragraphs d, k, and
4 l, Code 2009, are amended to read as follows:

5 d. One hundred percent of the costs of corrective action
6 and third-party liability for a release situated on property
7 acquired by a county for delinquent taxes pursuant to chapters
8 445 through 448, for which a responsible owner or operator
9 able to pay, other than the county, cannot be found. A county
10 is not a *“responsible party”* for a release in connection with
11 property which it acquires in connection with delinquent taxes,
12 and does not become a responsible party by sale or transfer
13 of property so acquired. In such situations, the board may
14 act as an agent for the county. Actual corrective action on
15 the site shall be overseen by the department, the board, and
16 a certified groundwater professional. Third-party liability
17 specifically excludes any claim, cause of action, or suit, for
18 personal injury including, but not limited to, loss of use
19 or of private enjoyment, mental anguish, false imprisonment,
20 wrongful entry or eviction, humiliation, discrimination, or
21 malicious prosecution. Reasonable acquisition costs do not
22 include any taxes or costs related to the collection of taxes.

23 k. Pursuant to an agreement between the board and the
24 department of natural resources, assessment and corrective
25 action arising out of releases at sites for which a no further
26 action certificate has been issued pursuant to section
27 455B.474, when the department determines that an unreasonable
28 risk to public health and safety may still exist or that
29 previously reported upon applicable target levels have been
30 exceeded. At a minimum, the agreement shall address eligible
31 costs, contracting for services, and conditions under which
32 sites may be reevaluated.

33 l. Costs Up to fifteen thousand dollars for the permanent
34 closure of an underground storage tank system ~~that was in place~~
35 ~~on the date an eligible claim was submitted under paragraph~~

1 "a" that does not meet performance standards for new or upgraded
2 tanks or is otherwise required to be closed pursuant to rules
3 adopted by the environmental protection commission pursuant to
4 section 455B.474. Reimbursement is limited to costs approved
5 by the board prior to the closure activities.

6 Sec. 13. Section 455G.9, subsection 4, Code 2009, is amended
7 to read as follows:

8 4. *Minimum copayment schedule.*

9 a. An owner or operator shall be required to pay the
10 greater of five thousand dollars or eighteen percent of the
11 first eighty thousand dollars of the total costs of corrective
12 action for that release, except for claims pursuant to section
13 455G.21, where the claimant is not a responsible party or
14 potentially responsible party for the site for which the claim
15 is filed.

16 b. If a site's actual expenses exceed eighty thousand
17 dollars, the remedial account shall pay the remainder, as
18 required by federal regulations, of the total costs of the
19 corrective action for that release, not to exceed one million
20 dollars, except that a county shall not be required to pay a
21 copayment in connection with a release situated on property
22 acquired in connection with delinquent taxes, as provided in
23 subsection 1, paragraph "d", unless subsequent to acquisition
24 the county actively operates a tank on the property for
25 purposes other than risk assessment, risk management, or tank
26 closure.

27 Sec. 14. Section 455G.9, subsection 7, Code 2009, is amended
28 to read as follows:

29 7. *Expenses of cleanup not required.* When an owner or
30 operator who is eligible for benefits under this chapter is
31 allowed by the department of natural resources to monitor in
32 place, the expenses incurred for cleanup beyond the level
33 required by the department of natural resources ~~are not~~ may
34 be covered under any of the accounts established under the
35 fund only if approved by the board as cost-effective relative

1 to the department accepted monitoring plan or relative to
2 the repeal date specified in section 424.19. The cleanup
3 expenses incurred for work completed beyond what is required
4 is the responsibility of the person contracting for the excess
5 cleanup. The board shall seek to terminate the responsible
6 party's environmental liabilities at such sites prior to the
7 board ceasing operation.

8 Sec. 15. Section 455G.9, subsection 10, Code 2009, is
9 amended to read as follows:

10 10. *Expenses incurred by governmental subdivisions and*
11 *public works utilities.* The board ~~may~~ shall adopt rules
12 for reimbursement for reasonable expenses incurred by
13 a governmental subdivision or public works utility for
14 sampling, treating, handling, or disposing, as required by the
15 department, of petroleum-contaminated soil and groundwater
16 encountered in a public right-of-way during installation,
17 maintenance, or repair of a utility or public improvement. The
18 board may seek full recovery from a responsible party liable
19 for the release for such expenses and for all other costs and
20 reasonable attorney fees and costs of litigation for which
21 moneys are expended by the fund. Any expense described in
22 this subsection incurred by the fund constitutes a lien upon
23 the property from which the release occurred. A lien shall be
24 recorded and an expense shall be collected in the same manner
25 as provided in section 424.11.

26 Sec. 16. EFFECTIVE UPON ENACTMENT AND RETROACTIVE
27 APPLICABILITY. The section of this division of this Act
28 amending section 455G.9, subsection 4, being deemed of
29 immediate importance, takes effect upon enactment and applies
30 retroactively to January 1, 2010.

31 DIVISION II

32 BONDING AUTHORITY

33 Sec. 17. Section 455G.2, subsection 1, Code 2009, is amended
34 by striking the subsection.

35 Sec. 18. Section 455G.2, subsection 3, Code 2009, is amended

1 to read as follows:

2 3. "*Bond*" means a bond, note, or other obligation issued by
3 the authority treasurer of state for the fund and the purposes
4 of this chapter.

5 Sec. 19. Section 455G.3, subsection 2, Code 2009, is amended
6 to read as follows:

7 2. The board shall assist Iowa's owners and operators
8 of petroleum underground storage tanks in complying with
9 federal environmental protection agency technical and financial
10 responsibility regulations by establishment of the Iowa
11 comprehensive petroleum underground storage tank fund. The
12 authority treasurer of state may issue its bonds, or series of
13 bonds, to assist the board, as provided in this chapter.

14 Sec. 20. Section 455G.6, subsections 7 through 9, Code
15 Supplement 2009, are amended to read as follows:

16 7. The board may contract with the authority treasurer
17 of state for the authority treasurer of state to issue bonds
18 and do all things necessary with respect to the purposes of
19 the fund, as set out in the contract between the board and
20 the authority treasurer of state. The board may delegate to
21 the authority treasurer of state and the authority treasurer
22 of state shall then have all of the powers of the board
23 which are necessary to issue and secure bonds and carry
24 out the purposes of the fund, to the extent provided in
25 the contract between the board and the authority treasurer
26 of state. The authority treasurer of state may issue the
27 authority's treasurer of state's bonds in principal amounts
28 which, in the opinion of the board, are necessary to provide
29 sufficient funds for the fund, the payment of interest on the
30 bonds, the establishment of reserves to secure the bonds, the
31 costs of issuance of the bonds, other expenditures of the
32 authority treasurer of state incident to and necessary or
33 convenient to carry out the bond issue for the fund, and all
34 other expenditures of the board necessary or convenient to
35 administer the fund. The bonds are investment securities and

1 negotiable instruments within the meaning of and for purposes
2 of the uniform commercial code, chapter 554.

3 8. Bonds issued under this section are payable solely and
4 only out of the moneys, assets, or revenues of the fund, all
5 of which may be deposited with trustees or depositories in
6 accordance with bond or security documents and pledged by the
7 board to the payment thereof, and are not an indebtedness of
8 this state ~~or the authority~~, or a charge against the general
9 credit or general fund of the state ~~or the authority~~, and
10 the state shall not be liable for any financial undertakings
11 with respect to the fund. Bonds issued under this chapter
12 shall contain on their face a statement that the bonds do not
13 constitute an indebtedness of the state ~~or the authority~~.

14 9. The proceeds of bonds issued by the authority treasurer
15 of state and not required for immediate disbursement may be
16 deposited with a trustee or depository as provided in the
17 bond documents and invested in any investment approved by
18 the authority treasurer of state and specified in the trust
19 indenture, resolution, or other instrument pursuant to which
20 the bonds are issued without regard to any limitation otherwise
21 provided by law.

22 Sec. 21. Section 455G.6, subsection 10, paragraph b, Code
23 Supplement 2009, is amended to read as follows:

24 b. Negotiable instruments under the laws of the state and
25 may be sold at prices, at public or private sale, and in a
26 manner, as prescribed by the authority treasurer of state.
27 Chapters 73A, 74, 74A and 75 do not apply to their sale or
28 issuance of the bonds.

29 Sec. 22. Section 455G.6, subsection 12, Code Supplement
30 2009, is amended to read as follows:

31 12. Bonds must be authorized by a trust indenture,
32 resolution, or other instrument of the authority treasurer of
33 state, approved by the board. However, a trust indenture,
34 resolution, or other instrument authorizing the issuance of
35 bonds may delegate to an officer of the issuer the power to

1 negotiate and fix the details of an issue of bonds.

2 Sec. 23. Section 455G.7, Code Supplement 2009, is amended
3 to read as follows:

4 **455G.7 Security for bonds — capital reserve fund —**
5 **irrevocable contracts.**

6 1. a. For the purpose of securing one or more issues of
7 bonds for the fund, the authority treasurer of state, with
8 the approval of the board, may authorize the establishment
9 of one or more special funds, called "*capital reserve funds*".
10 The authority treasurer of state may pay into the capital
11 reserve funds the proceeds of the sale of its bonds and other
12 money which may be made available to the authority treasurer
13 of state from other sources for the purposes of the capital
14 reserve funds. Except as provided in this section, money in a
15 capital reserve fund shall be used only as required for any of
16 the following:

17 ~~a.~~ (1) The payment of the principal of and interest on
18 bonds or of the sinking fund payments with respect to those
19 bonds.

20 ~~b.~~ (2) The purchase or redemption of the bonds.

21 ~~c.~~ (3) The payment of a redemption premium required to be
22 paid when the bonds are redeemed before maturity.

23 b. However, money in a capital reserve fund shall not be
24 withdrawn if the withdrawal would reduce the amount in the
25 capital reserve fund to less than the capital reserve fund
26 requirement, except for the purpose of making payment, when
27 due, of principal, interest, redemption premiums on the bonds,
28 and making sinking fund payments when other money pledged to
29 the payment of the bonds is not available for the payments.
30 Income or interest earned by, or increment to, a capital
31 reserve fund from the investment of all or part of the capital
32 reserve fund may be transferred by the authority treasurer of
33 state to other accounts of the fund if the transfer does not
34 reduce the amount of the capital reserve fund below the capital
35 reserve fund requirement.

1 2. If the authority treasurer of state decides to issue
2 bonds secured by a capital reserve fund, the bonds shall not be
3 issued if the amount in the capital reserve fund is less than
4 the capital reserve fund requirement, unless at the time of
5 issuance of the bonds the authority treasurer of state deposits
6 in the capital reserve fund from the proceeds of the bonds to
7 be issued or from other sources, an amount which, together with
8 the amount then in the capital reserve fund, is not less than
9 the capital reserve fund requirement.

10 3. In computing the amount of a capital reserve fund for the
11 purpose of this section, securities in which all or a portion
12 of the capital reserve fund is invested shall be valued by a
13 reasonable method established by the authority treasurer of
14 state. Valuation shall include the amount of interest earned
15 or accrued as of the date of valuation.

16 4. In this section, "*capital reserve fund requirement*" means
17 the amount required to be on deposit in the capital reserve
18 fund as of the date of computation.

19 5. To assure maintenance of the capital reserve funds,
20 the authority treasurer of state shall, on or before July 1
21 of each calendar year, make and deliver to the governor the
22 authority's treasurer of state's certificate stating the sum,
23 if any, required to restore each capital reserve fund to the
24 capital reserve fund requirement for that fund. Within thirty
25 days after the beginning of the session of the general assembly
26 next following the delivery of the certificate, the governor
27 may submit to both houses printed copies of a budget including
28 the sum, if any, required to restore each capital reserve fund
29 to the capital reserve fund requirement for that fund. Any
30 sums appropriated by the general assembly and paid to the
31 authority treasurer of state pursuant to this section shall be
32 deposited in the applicable capital reserve fund.

33 6. All amounts paid by the state pursuant to this section
34 shall be considered advances by the state and, subject to the
35 rights of the holders of any bonds of the authority treasurer

1 of state that have previously been issued or will be issued,
2 shall be repaid to the state without interest from all
3 available revenues of the fund in excess of amounts required
4 for the payment of bonds of the authority treasurer of state,
5 the capital reserve fund, and operating expenses.

6 7. If any amount deposited in a capital reserve fund is
7 withdrawn for payment of principal, premium, or interest on
8 the bonds or sinking fund payments with respect to bonds
9 thus reducing the amount of that fund to less than the
10 capital reserve fund requirement, the authority treasurer of
11 state shall immediately notify the governor and the general
12 assembly of this event and shall take steps to restore the
13 capital reserve fund to the capital reserve fund requirement
14 for that fund from any amounts designated as being available
15 for such purpose.

16 Sec. 24. Section 455G.8, subsection 2, Code 2009, is amended
17 to read as follows:

18 2. *Statutory allocations fund.* The moneys credited from the
19 statutory allocations fund under section 321.145, subsection
20 2, paragraph "a", shall be allocated, consistent with this
21 chapter, among the fund's accounts, for debt service and other
22 fund expenses, according to the fund budget, resolution, trust
23 agreement, or other instrument prepared or entered into by the
24 board or authority treasurer of state under direction of the
25 board.

26 Sec. 25. REPEAL. Section 16.151, Code 2009, is repealed.

27 Sec. 26. REPEAL. 1989 Iowa Acts, chapter 131, section
28 63, as amended by 2009 Iowa Acts, chapter 184, section 39, is
29 repealed.

30 Sec. 27. EFFECTIVE UPON ENACTMENT. This division of this
31 Act, being deemed of immediate importance, takes effect upon
32 enactment.